

## CITY OF RIVERSIDE

### BOARD OF PUBLIC UTILITIES

Minutes of: Regular Meeting of the Board of Public Utilities

Date of Meeting: March 4, 2005

Time of Meeting: 8:15 a.m.

Place of Meeting: Utilities Plaza Conference Room  
3460 Orange Street (at Fifth and Orange Streets)  
Riverside, California

### **PLEDGE OF ALLEGIANCE TO THE FLAG**

#### **Roll Call**

Present: Jim Anderson (Vice Chair)                      Joe Tavaglione  
             David Barnhart                                      Bob Stockton  
             Conrad Newberry, Jr., P.E.

Absent: Peter Hubbard (absence due to business)  
             Lalit Acharya (absence due to business)

### **ELECTION OF PUBLIC UTILITIES BOARD OFFICERS**

The election of the Public Utilities Board officers was deferred to the next Board of Public Utilities scheduled on March 18, 2005.

### **PUBLIC UTILITIES BOARD COMMITTEE ASSIGNMENTS**

The Public Utilities Board committee assignments were deferred to the next Board of Public Utilities scheduled on March 18, 2005 or possibly in May 2005 when the new board members are assigned.

### **MINUTES**

- (1) The regular meeting minutes from the Board of Public Utilities meeting held on February 18, 2005 was approved as submitted.

Motion – Tavaglione. Second – Stockton.

Ayes: Anderson, Barnhart, Stockton, and Tavaglione.

Noes: None

Abstain: Newberry, Jr., P.E.

Absent: Hubbard. (absence due to business)  
             Acharya. (absence due to business)

### **CITIZENS PARTICIPATION**

No comments were made.

## **COMMITTEE REPORTS**

### **WATER COMMITTEE REPORT**

The Board of Public Utilities accepted and filed the February 18, 2005, Water Committee minutes.

The Board members requested staff to circulate the February 18, 2005, Water Committee report regarding the Evans Reservoir Seismic Rehabilitation – Project Alternatives at the next Board meeting, possibly on the Director's Report.

### **FINANCE/MARKETING COMMITTEE REPORT**

The Board of Public Utilities accepted and filed the February 25, 2005, Finance/Marketing Committee minutes.

## **CONSENT CALENDAR**

A motion was made to approve the following items on the Consent Calendar.

Motion – Barnhart. Second – Tavaglione.

Ayes: Anderson, Barnhart, Stockton, Newberry, Jr., P.E., and Tavaglione.

Noes: None

Abstain: None.

Absent: Hubbard. (absence due to business)

Acharya. (absence due to business)

The Board of Public Utilities:

## **ELECTRIC ITEMS**

### **WATER ITEMS**

#### **(2) WATER MAIN REPLACEMENT WORK ORDER 704134**

Approved the estimated capital expenditure of \$114,760 to install 835 feet of eight-inch water main, 24 one-inch water services, and three fire hydrants in Lime Street from First Street to 835 feet northerly.

## **OTHER ITEMS**

#### **(3) ANNUAL RETAIL ELECTRIC PROVIDERS' REPORT TO THE CALIFORNIA ENERGY COMMISSION (CEC), POWER CONTENT LABEL, AND ATTESTATION OF VERACITY**

1. Approved the attached annual report, Power Content Label, and attestation of the annual report; and

2. Authorized the City Manager, or his designee, to execute and submit an attestation of the veracity of the annual report to the California Energy Commission.

## **DISCUSSION CALENDAR**

### **(4) PROPOSED REVISIONS TO URBAN FOREST POLICY AND TO PROCEDURES RELATED TO TREE SERVICE REQUESTS INVOLVING LINE CLEARANCE**

Public Benefit Manager Atoya Mendez gave a presentation on the importance of trees as a citywide issue and the updating of the Urban Forest Policy with Public Utilities' revisions. The Policy affects three city departments – Parks and Recreation, Public Works, and Public Utilities. Attending this Board meeting were representatives from Parks and Recreation: Ralph Nunez, Patti Casillas, and Shirley Bennett. Also in attendance were two representatives from the West Coast Arborist (WCA) who is the City's contracted tree service provider. Also Ms. Mendez stated staff was also adding to the recommendation for the Board to approve the additional appropriation of \$50,000 to update the phone system in Customer Service.

Board Member Barnhart commented that staff be sure to have a business relationship with other city departments, possibly an agreement between the departments and suggested to itemize who does what and who gets charged.

Also the Board members were very concerned of any liability issues and if Public Utilities would be at risk. Supervising Deputy City Attorney Eileen Teichert answered that one of the elements of putting this policy into place is the necessity to adopt a Rule in the Utilities so we can charge this cost to the customer in the billing process and this Rule should flush out the concerns of liability.

In summary the Urban Forest Policy's benefits would be the following:

- Improve customer service
- Reduce the number of city claims, customer outages
- Benefit to Utility customers who need tree services
- Benefit to Citywide beautification efforts

The Board of Public Utilities:

1. Approved, in concept, revisions to the Urban Forest Policy and improvements to the procedures for handling tree service requests, while allowing a 60-day implementation period to coordinate the changes outlined in this report; and
2. **Approved the additional appropriation of \$50,000 to update the phone system in Customer Service.**

(5) UPDATE ON SEVEN OAKS DAM WATER RIGHTS APPLICATIONS

Assistant Director/Water Dieter Wirtzfeld gave an oral update on the Seven Oaks Dam Water rights applications and distributed to the Board members the community report brochure "Santa Ana River Water Right Applications for Supplemental Water Supply" published by Western Municipal Water District.

Board Member Stockton requested that legal counsel do a briefing regarding this issue so he could ask questions at the next WMWD and City of Riverside Ad Hoc Committee.

The Board of Public Utilities received the oral report on the status of the applications for additional water from the Santa Ana River filed with the State Water Resources Control Board (SWRCB) by Western Municipal Water District and San Bernardino Valley Municipal Water District associated with Seven Oaks Dam related projects and recent developments affecting basin supply and quality.

(6) SUMMER 2005 POWER FORECAST REPORT

Assistant Director / Finance and Resources Donna Stevener reported to the Board that recent news reports indicate that an energy shortage may occur in the summer of 2005 in southern California and reassured the Board that Riverside Public Utilities has adequate power available for expected customer loads and provided a brief report on power supply status for the summer of 2005.

The Board of Public Utilities received and filed this report.

**DIRECTOR'S REPORT**

(A) State and Federal Legislative Update

(B) Transmission Outage

Assistant Director Stevener reported to the Board that RPU lost the Lugo-Victorville line for 7 hours on Sunday, February 20, 2005, and part of Monday, February 21, 2005, and had to replace IPP, Deseret and SCPPA projects (179 MW). This was an extremely high ISO purchase. It happened from 11:00 p.m. to 5:00 a.m. when prices were \$20-\$50 per MWh. Springs was not dispatched because it would have been double time for call-outs and the price to run it is almost \$90. So RPU was able to purchase from SCE for \$45 and the ISO clearing prices were low.

(C) Monthly Power Supply Report — January 2005

(D) Rolling Calendar Outlining Future Utility Projects as of February 25, 2005.

(E) City Council Agendas – February 22, 2005 and March 1, 2005

## **SYSTEMATIC REPORTING ON CONFERENCES/SEMINARS**

Board Vice Chair Jim Anderson reported that he attended the California Municipal Utilities Association (CMUA) 73<sup>rd</sup> Annual Conference in Coronado, California on March 3, 2005 and the main topic was global warming and what the impact to California might be.

*The public left the meeting room so the Board could discuss Item 7 listed below and then reconvened for the workshops:*

## **CLOSED SESSION**

### **CONFERENCE WITH LEGAL COUNSEL**

- (7) Pursuant to Government Code §54956.9, the Board of Public Utilities conferred with and/or received advice from legal counsel concerning City of Riverside, California, FERC Docket No. EL03-20-000.

*From 10:15 a.m. to 10:25 a.m. the Board of Public Utilities recessed and then began the workshop at 10:26 a.m.*

At this time Board Member Joe Tavaglione dismissed himself from the meeting.

## **WORKSHOPS**

Present: Jim Anderson (Vice Chair)      Conrad Newberry, Jr., P.E.  
David Barnhart      Bob Stockton

Staff: Dave Wright      Donna Stevener  
Dieter Wirtzfeld      Eileen Teichert  
Steve Badgett      MJ Abraham  
William Obeid      Kevin Milligan  
Jerry Buydos      Cathy Ference  
Reiko Kerr      John Sevey  
Gary Nolff

Absent: Peter Hubbard (absence due to business)  
Lalit Acharya (absence due to business)  
Joe Tavaglione (left meeting @ 9:57 a.m.)

- (8) 2005-2007 OPERATING BUDGET AND MIDYEAR PROJECTIONS –  
ADDITIONAL APPROPRIATIONS

### **MIDYEAR PROJECTIONS AND ADDITIONAL 2004-2005 APPROPRIATIONS, AS REQUIRED**

The Board of Public Utilities held a workshop to review the Midyear Projects and additional 2004-2005 appropriations, as required. Finance/Rates Manager Reiko Kerr presented this portion of the workshop.

The Board of Public Utilities approved and recommended that the City Council:

1. Approve the additional Mid-Year appropriations for both Electric and Water Fund, as follows:
  - (a) Increase Power Supply expense by \$4,300,000 and increase Estimated Sales Revenues by \$4,300,000.
  - (b) Increase Overtime by \$965,000 for the Electric Field (\$549,000) and Production and Operations (\$416,000) divisions from available Electric fund balance.
2. Authorize retention of Best, Best & Krieger to represent the Water Utility regarding Bunker Hill Basin water issues;
3. Approve the purchase order for outside legal services in the amount of \$300,000; and
4. Increase appropriations for Outside Legal services in the Water Fund by \$300,000 to General Ledger Account No. 6210000 – 421100 from available Water fund balance.

Motion – Barnhart. Second – Newberry, Jr., P.E.

Ayes: Anderson, Barnhart, Stockton, Newberry, Jr., P.E., and Tavaglione.

Noes: None

Abstain: None.

Absent: Hubbard. (absence due to business)  
Acharya. (absence due to business)

#### 2005-2007 OPERATING BUDGET

The Board of Public Utilities held a workshop to review the 2005-2006 and 2006-2007 Public Utilities Operating Budget. Assistant Director Donna Stevener presented this portion of the workshop.

The Board of Public Utilities approved the 2005-2006 and 2006-2007 Public Utilities Operating Budget.

Motion – Newberry, Jr., P.E. Second – Barnhart.

Ayes: Anderson, Barnhart, Stockton, Newberry, Jr., P.E., and Tavaglione.

Noes: None

Abstain: None.

Absent: Hubbard. (absence due to business)  
Acharya. (absence due to business)

(9) LONG TERM STRATEGIC PLANNING WORKSHOP

The Board of Public Utilities held a workshop to discuss long-term strategic planning in Customer Service / Marketing / and Programs and Services. Public Utilities Director Dave Wright began an overview of specific issues facing these divisions in the future but time ran out and he will continue his overview at the next Board meeting on March 18, 2005.

**UPCOMING MEETING**

Vice Chair Jim Anderson adjourned the meeting at 11:54 a.m. to the next regularly scheduled meeting of the Board of Public Utilities to be held on **Friday, March 18, 2005**, at 8:15 a.m. at the Utilities Operations Center (UOC) located at 2911 Lincoln Street in Riverside, California.

By: \_\_\_\_\_  
David H. Wright, Secretary  
Board of Public Utilities

Approved by: City of Riverside Board of Public Utilities

Dated: April 1, 2005